

**AMENDMENTS TO THE SPECIFICATION:**

*Please amend the paragraph beginning at page 163, line 12, as follows:*

The reflective image reproduction in the second area 219 of the liquid crystal display 200 arranged as above was examined as below. A retardation R1 of the first optical compensation element (optical compensation means, first optical compensation means) 205 was varied, and the reflectance and the ratio of contrast were measured when the lagging axis of the first optical compensation element 205 is orthogonal to the director of liquid crystal molecules of the liquid crystal layer 203, ~~and when the lagging axis of the first optical compensation element 205 is in parallel to the director of liquid crystal molecules of the liquid crystal layer 203.~~ The results of this measurement are illustrated in Fig. 33. The retardation of the liquid crystal layer 203 is in the state of no voltage application, which is a state when the lowest voltage (OFF voltage) among the drive voltages is applied to the liquid crystal layer 203. The retardation of the liquid crystal layer 203 in the second area 219 is referred as Rr. A part Rr-R1 indicates a case when the lagging axis of the first optical compensation element 205 is orthogonal to the director of the liquid crystal molecules. In this part, a phase difference corresponding to a retardation smaller than the retardation Rr of the liquid crystal layer 203 by a retardation R1 of the first optical compensation element 205 is imparted to passing light. ~~An area Rr+R1 indicates a case when the lagging axis of the first optical compensation element 205 is in parallel to the director of the liquid crystal molecules of the liquid crystal layer 103. In this part, a phase difference corresponding to a retardation larger than the retardation Rr of the liquid crystal layer 203 by the retardation R1 of the first optical compensation element 205 is imparted to passing light.~~

*Please amend the paragraph beginning at page 165, line 9, as follows:*

Now, Figs. 34-37 show the transmittance and the ratio of contrast of the transmission image reproduction viewed from the side in the B direction and with no

voltage application to the liquid crystal layer 203, when the retardation  $R_2$  of the second optical compensation element (optical compensation means, second optical compensation means) 209 is varied in two regions where the  $R_r - R_1$  or  $R_r + R_1$  is optimum, namely when  $R_r - R_1 = 1137\text{nm}$  or  $R_r + R_1 = 133\text{nm}$ . The words “orthogonal” and “parallel” above the graphs in Figs. 34-37 indicate the relationship between the lagging axis of the second optical compensation element 209 and the director of liquid crystal molecules in the liquid crystal layer 203. In these figures, the retardation  $R_t$  of the liquid crystal layer 203 in the first area 220 varies in accordance with the retardation  $R_r$  of the liquid crystal layer 203 in the second area 219 and the difference of the thickness of the liquid crystal layer 203.